

Economic Migration and Regional Differences in Romania

ANDREEA-OANA ENACHE

University Assistant and Post-PhD researcher

Doctoral School Cybernetics and Economic Statistics

Bucharest University of Economic Studies, Bucharest, Romania

Institute of National Economy, Romanian Academy, Bucharest, Romania

begu_andreeaoana@yahoo.com

Abstract: Economic migration is a structural process with major implications for the socio-economic development of Romania, influencing the territorial distribution of the active population and the regional dynamics of the labor market. In the context of the persistence of significant economic disparities between the country's regions, this study examines the relationships between economic migration and regional differences, using an empirical approach based on descriptive and correlational analyses. The research integrates relevant indicators such as employment level, unemployment rate, average wage, economic structure and level of regional development, to identify patterns and asymmetries that characterize recent developments. The results highlight the fact that regions with low economic performance and limited opportunities on the labor market register higher levels of economic migration, while more developed areas have a greater capacity to retain the workforce. The correlational analysis confirms the existence of significant links between migration and socio-economic indicators, suggesting that the mobility of the active population is strongly influenced by persistent regional gaps. The findings highlight the importance of territorially differentiated public policies, aimed at reducing economic disparities, strengthening human capital and increasing the attractiveness of vulnerable regions.

Keywords: regional differences, economic migration, labor market, economic disparities.

1. Introduction

Economic migration is one of the most significant socio-economic processes that have influenced Romania in recent decades, both in terms of its magnitude and its implications for regional development and the functioning of the labor market. In the context of the structural transformations of the Romanian economy, the mobility of the active population has become an essential mechanism for adjusting to economic and occupational imbalances, reflecting the persistent differences between regions in terms of employment opportunities, income levels and quality of life. The phenomenon of migration cannot be analyzed independently of labor market dynamics, because individual mobility decisions are strongly influenced by local economic conditions and the capacity of regions to generate stable and attractive jobs.

The labor market in Romania has experienced profound transformations after 1990, marked by industrial restructuring, the increase in the share of the service sector, the intensification of foreign investments and, subsequently, by integration into the European Union. These developments have generated new economic opportunities, but have also accentuated territorial disparities, as the benefits of development have not been distributed evenly. Regions with a diversified economic structure and a high level of investment have managed to attract and retain the workforce, while areas characterized by low productivity, poor infrastructure and limited employment opportunities have experienced high levels of economic migration, both internal and external.

Regional disparities are a central element in the analysis of economic migration, as they influence both individual motivations and the capacity of territories to adapt to economic change. More developed regions, such as Bucharest-Ilfov or VEST, are distinguished by higher wage levels, low unemployment rates and an economic structure oriented towards high value-added sectors. In contrast, the North-East, South-West Oltenia or South-Muntenia regions face persistent structural vulnerabilities, reflected in low employment levels, low wages and a limited capacity to attract investment. These differences determine significant migratory flows, which, in turn, influence the territorial distribution of human capital and can accentuate existing gaps.

The relationship between economic migration and the labor market is a two-way street. On the one hand, local economic conditions influence migration decisions; on the other hand, migration affects the functioning of

the labor market by modifying the labor supply, changing the demographic structure and impacting regional development processes. In regions with high levels of external migration, labor shortages can generate pressure on employers, affect economic competitiveness and limit growth potential. At the same time, remittances and the experience accumulated by migrants can contribute to local development, although these effects are often uneven and difficult to quantify.

In this context, the analysis of economic migration and regional differences becomes essential for understanding the mechanisms that shape the mobility of the active population in Romania. The present study aims to investigate the relationships between migration and regional socio-economic indicators through a descriptive and correlational approach, using data relevant to the two components.

2. Literature review

The study of economic migration and regional disparities has experienced significant development in international and Romanian literature, especially in the context of structural transformations of the labour market in Central and Eastern Europe. Internationally, migration theories have evolved from classical push-pull approaches to complex conceptual frameworks, which integrate economic, institutional and behavioural factors. De Haas (2022) proposes a model of aspirations and capacities, arguing that migration is determined both by individuals' desire to move and by the resources that allow them to do so. This perspective is relevant for Romania, where regional differences in income, infrastructure and employment opportunities directly influence the population's capacity to migrate.

In the European context, labour mobility is analysed in relation to economic convergence and the functioning of the single market. Kahanec and Zimmermann (2021) show that intra-EU migration is strongly influenced by wage differences and the structure of the labor market, while Czaika and Reinprecht (2023) highlight the role of institutions and public policies in shaping migration flows. These contributions provide a solid theoretical framework for the analysis of Romanian migration, characterized by increased mobility after accession to the European Union.

The literature on regional disparities highlights the persistence of territorial gaps in Europe, despite economic convergence processes. Rodriguez-Pose (2020) introduces the concept of left-behind places, referring to regions that do not benefit from economic growth and that, consequently, generate high levels of migration. Iammarino, Rodriguez-Pose and Storper (2019) show that regional disparities are fueled by differences in industrial structure, human capital and institutional capacity, aspects that are also found in the case of Romania. Romanian researchers support the idea that economic migration is analyzed in close connection with labor market transformations and demographic developments. Sandu (2024) highlights the role of migration networks in facilitating international mobility, emphasizing that Romanian migration is strongly influenced by community and regional factors. Stoica and Mihăilescu (2023) analyze socio-economic determinants of emigration, showing that income levels, unemployment rates and economic structure are essential factors in the migration decision. Horvath (2022) discusses the impact of migration on demographic decline, highlighting the vulnerabilities of regions with massive losses of active population.

Regional disparities in Romania are extensively documented in recent economic literature. Pîrvu and Bădîrcea (2024) show that regional differences in employment, wages and productivity remain high, despite aggregate economic growth. Goschin (2021) confirms the persistence of these gaps, emphasizing that less developed regions are caught in a vicious circle of underdevelopment, characterized by low investment, insufficient human capital and intense migration. Paraschiv and Ilie (2020) analyze the performance of the labor market at regional level, highlighting significant differences in the occupational structure and in the capacity of regions to generate stable jobs.

International and Romanian literature converge on the idea that economic migration and regional disparities are interdependent phenomena. On the one hand, regional differences in economic opportunities stimulate migration, on the other hand, migration affects the structure of the labor market and the development potential of regions. In Romania, this relationship is amplified by the structural transformations of the economy, demographic decline and intense mobility of the active population. Recent studies emphasize the need for territorially differentiated public policies, aimed at reducing disparities, consolidating human capital and increasing the attractiveness of vulnerable regions.

3. Methodology

The methodology of this study is built to analyze the relationship between economic migration and regional differences in Romania through an empirical approach based on descriptive and correlational analyses. The choice of this strategy reflects the research objective of identifying territorial patterns and connections between socio-economic indicators without resorting to complex econometric models, which would imply additional assumptions regarding temporal dynamics or the existence of endogenous variables. Therefore, the adopted methodology allows for a rigorous but flexible assessment, suitable for exploiting regional phenomena in a context characterized by structural heterogeneity.

The analysis uses secondary data from official sources, recognized for their methodological consistency and comparability. The main databases are: INS, Eurostat, OECD, International Organization for Migration (IOM). The analyzed period is 2010-2024, determined by the availability of data and its relevance for capturing recent developments in migration and the labor market in Romania.

The indicators included in the analysis are grouped into three categories:

Economic migration indicators: emigration rate, number of registered emigrants, internal inter-regional migration, remittances;

Labor market indicators: employment rate, unemployment rate, average net wage, occupational structure;

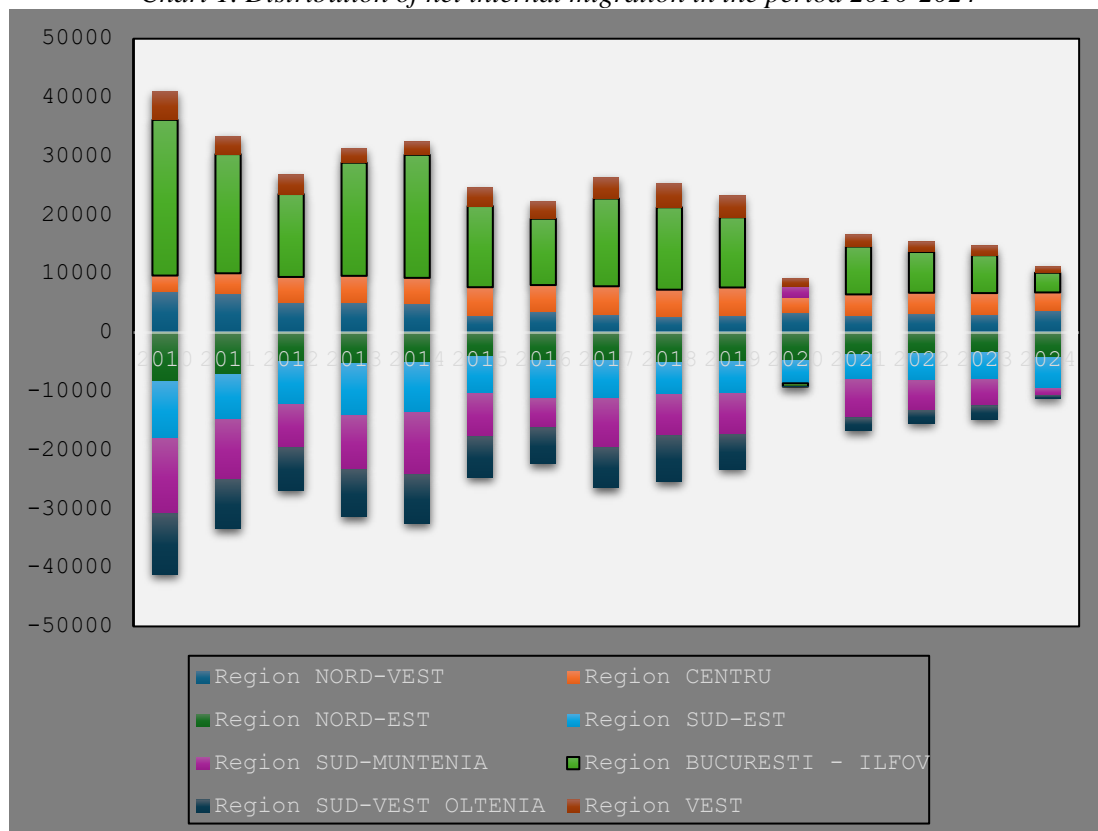
Regional development indicators: GDP/capita, labor productivity, sectoral structure, regional development index.

The selection of these variables is based on the specialized literature, which emphasizes their role in explaining economic mobility and territorial disparities, especially in the context of Central and Eastern Europe.

4. Results

The analysis highlights the existence of significant regional differences in economic migration and associated socio-economic indicators, confirming the conclusions of the specialized literature and revealing patterns specific to Romania. The descriptive analysis shows that during the period 2010-2024 economic migration followed a moderate downward trend at the national level, but with considerable variations between regions.

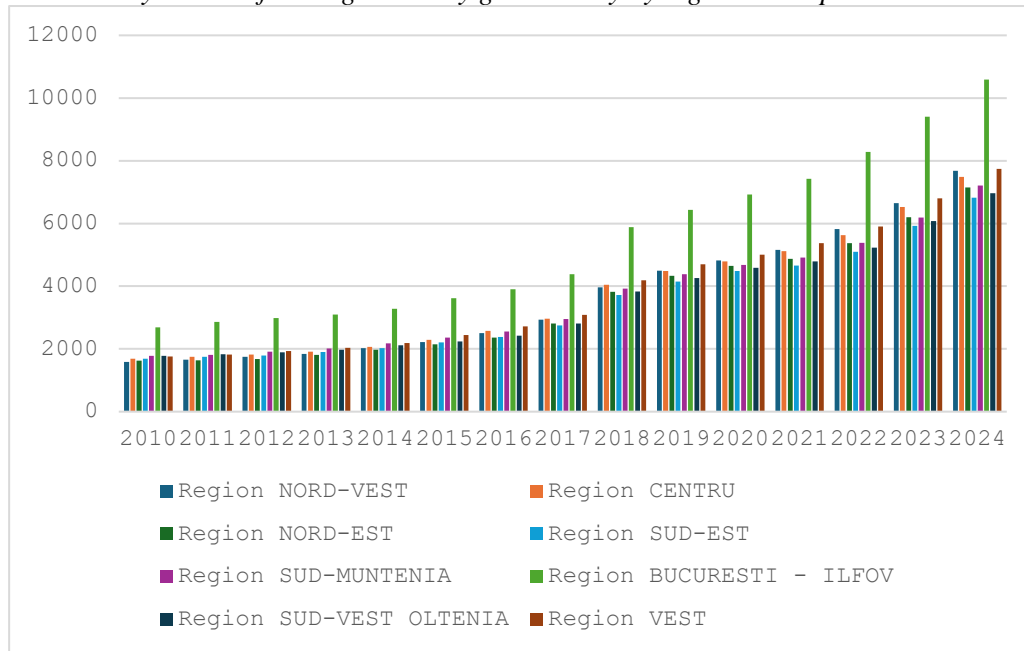
Chart 1. Distribution of net internal migration in the period 2010-2024



Source: author's processing in Excel, based on INS Romania data, Balance of residence changes by residence areas, macroregions, development regions and counties

The North-East, South-Muntenia and South-West Oltenia regions have consistently recorded the highest levels of migration, while Bucharest-Ilfov and the West region have presented significantly lower values. This distribution reflects the structural differences between the regions, especially in terms of employment opportunities and income levels. The analysis of labor market indicators confirms the persistence of pronounced territorial disparities. The employment rate is consistently higher in the West and Bucharest-Ilfov regions, where the economic structure is dominated by high value-added sectors and foreign direct investment. In contrast, the North-East and South-West Oltenia regions present low levels of employment and unemployment rates above the national average. The average net wage follows the same distribution, with differences of over 30% between the most developed and the least developed regions. These results support the hypothesis that economic migration is closely linked to labor market performance, especially wage levels and job availability.

Chart 2. Dynamics of average monthly gross salary by region in the period 2010-2024



Source: author's processing in Excel, INS Romania database, Average monthly gross nominal wage earnings by activities of the national economy (sections and divisions) NACE Rev.2, genders, macroregions, development regions and counties

Correlational analysis provides additional insight into the relationships between migration and socio-economic indicators.

Table 1. Correlation matrix (Pearson coefficient)

	Migration	Unemployed	Salary income	GDP/capita	Education
Migration	1,00	0,48	-0,59	-0,6	-0,42
Unemployed	0,48	1,00	-0,74	-0,69	0,82
Salary income	-0,59	-0,74	1,00	0,99	-0,88
GDP/capita	-0,6	-0,69	0,99	1,00	-0,85
Education	-0,42	0,82	-0,88	-0,85	1,00

Source: author's processing in Excel, INS Romania database

The Pearson coefficients calculated for normally distributed variables indicate a strong negative correlation between average wage earnings and migration ($r = -0.59$), suggesting that regions with higher wages experience lower levels of economic migration. This relationship is consistent with the international literature, which emphasizes the role of wage differentials in labor mobility. The analysis also reveals a moderate positive

correlation between the unemployment rate and migration ($r = 0.48$), indicating that regions with limited employment opportunities are more prone to losses of the active population.

Regarding regional development indicators, GDP per capita shows a significant negative correlation with migration ($r = -0.6$), confirming that more economically developed regions manage to retain the labor force. Labor productivity follows a similar pattern, suggesting that the economic structure and the level of regional competitiveness directly influence mobility decisions.

Overall, the study results show that economic migration is strongly influenced by regional differences in labor market performance and economic development. The relationships identified through correlational analysis support the hypothesis of interdependence between migration and regional disparities, suggesting the need for public policies adapted to the territorial specifics.

5. Conclusions

The analysis of the relationship between internal economic migration, the labor market and regional disparities in Romania highlights a set of structural mechanisms that continue to shape the territorial distribution of the active population. Beyond annual or cyclical variations, internal mobility remains a process deeply anchored in differences in economic development, in the structure of local opportunities and in the capacity of regions to generate favorable conditions for employment and living. This dynamic confirms that internal migration is not just a demographic phenomenon, but a synthetic indicator of the functioning of the regional economy.

A first element that emerges from the integrated analysis is the persistent nature of territorial polarization. Regions that have structural advantages – developed infrastructure, economic diversification, access to investment and quality public services – tend to accumulate human capital and consolidate their position in the regional hierarchy. In contrast, regions with historical and economic vulnerabilities face difficulties in retaining the active population, which amplifies existing imbalances. This cumulative logic suggests that internal mobility functions as a territorial selection mechanism, through which individuals adjust their position according to perceived opportunities.

Second, the relationship between the labor market and migration emerges as a central element in understanding regional dynamics. Regions capable of offering stable jobs, competitive wages and attractive career prospects become points of attraction for the active population. In contrast, areas characterized by high unemployment, low productivity or poorly diversified economic sectors tend to be marked by demographic losses. This relationship confirms the role of the labor market as a fundamental determinant of internal mobility and underlines the importance of policies aimed at increasing the quality of employment.

A third relevant aspect is the interdependence between migration and regional development. The mobility of the active population can contribute to the dynamism of expanding regions, but can also accentuate the vulnerabilities of declining regions. In this sense, internal migration acts simultaneously as a symptom and a factor of regional disparities. Regions that lose active population face a shrinking workforce, a decline in investment attractiveness and difficulties in maintaining public services, which can generate a vicious circle of stagnation. Overall, the study shows that internal economic migration is a barometer of the functioning of the regional economy and an essential element in understanding the socio-economic transformations in Romania. An integrated approach, which connects population mobility with labor market dynamics and regional development, is indispensable for the formulation of coherent and effective public policies.

References:

- [1] Czaika, M., Reinprecht, C. (2023). Drivers of labour mobility in Europe. *Migration Studies*, 11(2), 345-367.
- [2] de Haas, H. (2022). A theory of migration: The aspirations-capabilities framework. *Population and development Review*, 48(4), 939-975.
- [3] Dustmann, C., Gorchach, J. (2024). The economics of temporary and circular migration. *Journal of Economic Perspectives*, 38(1), 23-48.
- [4] Goschin, Z. (2021). Regional inequalities and economic growth in Romania. *Romanian Journal of Economic Forecasting*, 24(3), 5-22.
- [5] Horvath, I. (2022). Labour migration and demographic decline in Romania. *Journal of Balkan and Near Eastern Studies*, 24(6), 987-1005.
- [6] Iammarino, S., Rodriguez-Pose, A., Storper, M. (2019). Regional inequality in Europe: Evidence and policy implications. *Journal of Economic Geography*, 19(2), 273-298.
- [7] Ionescu, A. M. (2023). Labour market transformations in post-transition Romania. *Sustainability*, 15(4), 2150.

- [8] Kahanec, M., Zimmermann, K. (2021). Labour mobility in the EU: Trends and policy challenges. *IZA Journal of Labor Policy*, 11(1), 1-22.
- [9] Paraschiv, G., Ilie, C. (2020). Regional labour market performance in Romania. *Eastern European Economics*, 58(5), 403-425.
- [10] Pîrvu, R., Bâdîrcea, R. (2024). Regional labour market disparities in Romania. *Economic Research-Ekonomska Istrazivanja*, 37(1), 112-130.
- [11] Rodriguez-Pose, A. (2020). The rise of left-behind places. *Regional Studies*, 54(1), 1-14.
- [12] Sandu, D. (2024). Migration networks and regional development in Romania. *Sustainability*, 16(2), 889.
- [13] Stoica, C. A., Mihăilescu, A. (2023). Socio-economic determinants of Romanian emigration. *Social Indicators Research*, 167(3), 945-968.